

INFO	LOG-00	AF-00	AID-00	CEA-01	CIAE-00	CTME-00	INL-00
	DODE-00	DOTE-00	DS-00	EXIM-01	E-00	FAAE-00	VCI-00
	FRB-00	H-00	TEDE-00	INR-00	ITC-01	MOFM-00	MOF-00
	VCIE-00	NSAE-00	ISN-00	OMB-00	NIMA-00	GIWI-00	ISNE-00
	SEC-01	FMPC-00	SP-00	SSO-00	SS-00	STR-00	NCTC-00
	BBG-00	IIP-00	DSCC-00	PRM-00	DRL-00	G-00	NFAT-00
	SAS-00	FA-00	SWCI-00	/004W			

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FM AMEMBASSY LUANDA

TO SECSTATE WASHDC IMMEDIATE 5432

INFO OPEC COLLECTIVE

SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

DEPT OF TREASURY WASHDC

DEPT OF COMMERCE WASHDC

NSC WASHDC

C O N F I D E N T I A L LUANDA 000237

DEPARTMENT FOR EEB/OMA ALEX WHITTINGTON

DEPARTMENT PASS TO USAID/EGAT AND AFR

E.O. 12958: DECL: 04/09/2019

TAGS: [AO](#) [ECON](#) [EFIN](#) [ENIV](#) [PGOV](#)

SUBJECT: GOVERNOR OF CENTRAL BANK TO BE SACKED FOR SPENDING RESERVES

REF: A. A. LUANDA 159

[1](#)B. B. LUANDA 200

Classified By: Classified by Charge Jeff Hawkins for reasons 1.4 (b) and (d)

1 (C) Post has confirmed that the governor of Angola's central bank (BNA) will be sacked later today (4/09) for spending international reserves without proper authorization.

A brief article in the April 3 edition of weekly "Novo Journal" alleged that Governor of the Banco Nacional de Angola (BNA) Amadeu de Jesus Castelhana Mauricio would soon be sacked for "spending Angola's international reserves without authorization." The article also stated that Vice Governor Rui Miguens would likely replace him. Earlier on April 9, Miguens (please protect) confirmed to Emboff that Mauricio would indeed be sacked later that day for the stated reasons in the "Novo Journal" article, but could not, or would not, confirm if he would replace him.

[1](#)2. (C) COMMENT: As outlined in reftels, Angola has been spending its international reserves at a rapid pace, drawing them down from USD 20 billion in November 2008 to USD 15 billion by the end of February 2009. Post had previously reported evidence to suggest that the steep decline was due to capital flight spurred by a worsening economic outlook and an overvalued Kwanza peg (ref A). According to Minister of Finance Eduardo de Moraes, however, Angola had drawn only on the government's operating account as part of the normal process of budget outlays. (NOTE: Contrary to the U.S. system, the GRA's revenues are deposited with the central bank, are listed on the asset side of the central bank's ledger, and are classified as "reserves" also) This latest news would suggest that Angola's sudden drop in reserves is not due to budget outlays, but is the result of a more serious and unintended phenomena, again possibly capital flight. In February as the reserve story broke in the Angolan press, the normally cautious Vice Governor was quoted as noting a significant one-day increase in demand for USDs at the central bank, going from an average of USD 50 to 60 million up to USD 335 million. It is unclear why the Governor is being dismissed, whether he acted improperly or is being made a scapegoat for GRA monetary policy. Equally unclear is the true extent of the decline of Angola's actual foreign reserves and if further austerity measures, like the recent budget cuts, will be taken by the GRA. Post does not believe that Angola's banking system is in imminent danger of collapse, but the how and why of Angola's depletion of reserves warrants investigating. Post will continue to report on this issue.

HAWKINS